

The Investor, the Banker, and the CEO:

Three perspectives on building a
corporate platform



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Introduction

In this whitepaper, Christoph Jost, Managing Partner of FLEX Capital, Dr. Toni Schmidt, CEO of the EVEX Group, and Philipp von Grawert, Managing Director of Investment Banking at Stephens, share their insights into the establishment of the EVEX Group, a platform consisting of medium-sized software companies.

Within just two years, the EVEX Group grew by acquiring Hidden Champions to become a European market leader in the health software market. This whitepaper illustrates how FLEX Capital thinks about platforms, deals, and companies and collaborates with its portfolio companies to reach the next level of growth together.

Die Chronologie der Plattform

Christoph Jost: Our journey began with the acquisition of Amparex, the market leader for hearing aid acoustician software in the DACH region. The founder, Steffen Förderung, had a clear price expectation, which initially seemed high by normal market multiples. However, the strong profile of the company and a comprehensive market analysis that highlighted the potential of a platform strategy convinced us to proceed with the acquisition.

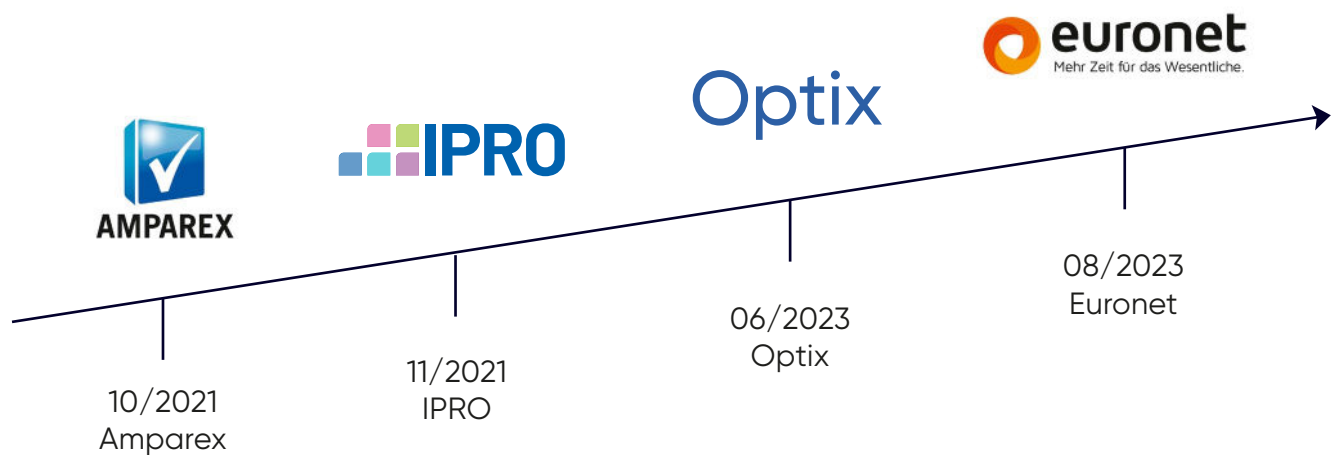
Through expert discussions, we met the CEO of IPRO, the market leader for optician software, and recognized great potential in a joint future. Together, we would have the DACH market leaders in well-matched areas. To successfully approach IPRO Holding, we worked with Philipp von Grawert of Stephens. This enabled us to realize our platform hypothesis and acquire both Amparex and IPRO within just four weeks. We were pleased to bring on Dr. Toni Schmidt as the platform CEO to lead the integration.

In parallel, we had our eyes on Euronet from Cologne, which operated as a competitor to IPRO and offered excellent marketing services to opticians. After two years of getting to know each other and allowing founder Robert Gaulke to observe our platform, we convinced him to integrate Euronet into our portfolio.

Toni Schmidt: Our next step was the acquisition of Optics, the UK market leader for optician software based in York. Founder Trevor Rowley was not actively seeking a sale, but through personal contact, on-site visits, and a solution-oriented approach, we built trust and completed the acquisition. Optics enabled us to enter the UK market and further expand our presence in Europe.

Timeline of the EVEX Group

European leading ERP software provider for
hearing aid acousticians and opticians



Vision: Joint Investments for a Future-Proof Software Generation

Christoph Jost: The market was characterized by many individual players who had profitable businesses but little pressure to change and were reluctant to invest in new software generations. As the EVEX Group, we saw the opportunity to jointly invest significantly in software and build the next pioneering generation. Our goal is to be market leaders not just by the number of our customers but by the strength of our products.

Toni Schmidt: With this vision, we were able to offer companies a clear future perspective. By pooling resources and experiences, we are stronger and can develop a great new product that each alone would struggle with. This not only strengthened the market position of the individual companies but also enabled us to enter new markets and expand our leading position in Europe.

The Advantages of Working with an Investment Bank

Philipp von Grawert: At Stephens, we analyzed the market and identified suitable acquisition targets. The fragmented market for practice management software offered ideal conditions for consolidation.

Collaboration with FLEX Capital was crucial. Together, we mapped the European market and identified potential acquisition targets in various countries. The targeted approach to founders, building a trust base, and our on-site commitment were central elements of our strategy.

For IPRO, which was under a holding company, we had to proceed strategically to spark sales interest. For founder-led companies like Optics, quick and unbureaucratic action was more important. Here, FLEX was able to stand out from the competition.

FLEX has a solution-oriented approach. Through a lean investment committee, processes and timelines can be kept short and efficient. Due diligence is very targeted. The founder-centric transaction structure and the uncomplicated approach to guarantees were also key success factors.

Integration of Competitors: Challenges and Successes

Christoph Jost: The integration of Amparex and IPRO was communicatively demanding as both companies were long-time competitors. For Amparex, it was also new to be led by an investor instead of the founders. In such a change process, there is always a basic skepticism among employees. Through intensive exchange and conveying the joint vision and its benefits at all levels, we succeeded in establishing successful collaboration.

Toni Schmidt: The integration began cautiously. We took over healthy companies and could take the time to get to know the businesses and employees thoroughly. Currently, we have the leading software in our markets. Our goal is to offer the best product for our customers even in ten years. Therefore, we want to maintain the current systems while simultaneously developing the new pioneering industry software from a position of strength.

This complex task means keeping existing products at a high level, more than satisfying customers, and working together on future solutions. We first focused on areas where we are stronger together than individually and began bringing the workforces closer together, achieving very good collaboration step by step.

Robert Gaulke, Vorstand bei Euronet:

„We are pleased about the transition into a common future and the promising opportunities this collaboration offers for optical and hearing aid businesses.“

Succession Solution for Founders

Christoph Jost: The founders of Euronet and Optix were not actively seeking a succession solution. Particularly impressive about Trevor Rowley, the Optix founder, was how he saw a personal challenge in our platform vision. His modern software solution, which he had been developing in the background for two years and now serves as the basis for the entire EVEX Group, was to be rolled out not only in the UK but also on the European mainland. This motivated him for one last major personal challenge before succession.

Toni Schmidt: As a passionate entrepreneur, it was also important for him to offer his employees a good perspective. The message that they are now part of the European market leader and not just a local player in the UK was crucial. This new positioning gave them a strong sense of belonging and security. For the Optix founder, it was a satisfying solution to arrange a successful succession through the sale and to know his company in good hands. This is how we convinced him to sell his company.

Trevor Rowley, Managing Director von Optix :

„We look forward to continuing the Optix software and developing a unified pan-European PMS product with the latest technology and tailored extensions for different market requirements.“

Impressive Results and Future Prospects

Christoph Jost: The result of the integration and targeted acquisition strategy is impressive. Within just two years, the EVEX Group has developed from a German medium-sized company into a leading provider in Europe.

The EVEX Group has established itself as the market leader in the DACH region, the largest European market, as well as in the third-largest market, the UK. We continue to pursue our successful strategy to grow further and expand our market leadership.

The journey of FLEX Capital and the EVEX Group impressively shows how targeted acquisitions and a clear vision can transform Hidden Champions into global market leaders.



About the EVEX Group

The EVEX Group empowers opticians, hearing aid acousticians, and therapists with digital solutions. It unites the leading providers of practice management systems in these industries in Europe. The EVEX Group was founded in 2021 with the acquisitions of Amparex GmbH, the leading software provider for hearing aid acousticians, and IPRO GmbH, the industry leader for tailored software solutions for opticians in the DACH region. In 2023, the group significantly expanded with the addition of Euronet Software AG, a leading provider of software and marketing solutions for opticians, and Optix Software Ltd., the leading software provider for opticians in the UK.

For more information, visit
www.evex-group.com



About Stephens

Founded in 1933, Stephens is a family of privately held, independent financial services firms that create value for businesses, state and local governments, institutions, and wealthy investors. Headquartered in Little Rock, Arkansas, with offices domestically and internationally, Stephens has built an international reputation for vision, integrity, and innovation. Free from short-term thinking, Stephens focuses on long-term relationships and client needs by understanding their goals and helping shape their future in partnership.

For more information, visit
www.stephens.com



FLEX Capital is a private equity fund founded by successful serial entrepreneurs that invests in profitable and growing companies in the German internet and software mid-market.

The second fund announced in early 2023, with 300 million euros, includes a commercial structure that allows FLEX Capital to operationally support portfolio companies with its own 30-person expert team, distinguishing the investor from many other private equity funds.

For more information, visit www.flex.capital